

## **Assembly Concurrent Resolution No. 85**

### **RESOLUTION CHAPTER 102**

Assembly Concurrent Resolution No. 85—Relative to New United Motor Manufacturing, Inc.

[Filed with Secretary of State September 16, 2009.]

#### **LEGISLATIVE COUNSEL'S DIGEST**

ACR 85, Torrico. New United Motor Manufacturing, Inc.

This measure would make various statements regarding the importance of New United Motor Manufacturing, Inc. (NUMMI) to the California economy and would declare the necessity for the Legislature to utilize its vested powers to keep NUMMI in California.

WHEREAS, The Legislature is currently convening in special session to address the state's fiscal emergency; and

WHEREAS, The Legislature must employ its vested powers to protect the state's workers and industries; and

WHEREAS, California once boasted eight automobile manufacturing plants within its borders; and

WHEREAS, The one remaining automobile manufacturing plant in the western United States resides in Fremont, California; and

WHEREAS, This one remaining plant, New United Motor Manufacturing, Inc. (NUMMI), represents a 50-50 joint venture formed in 1984 between General Motors Corporation and Toyota Motor Corporation; and

WHEREAS, General Motors recently declared bankruptcy, thereby relinquishing its shares in NUMMI to Toyota or any other entity willing to purchase those shares; and

WHEREAS, The departure of General Motors from the joint venture may compel Toyota to close NUMMI; and

WHEREAS, NUMMI produces approximately 250,000 cars and 170,000 trucks on an annual basis; and

WHEREAS, NUMMI employs nearly 4,700 workers who live throughout the San Francisco Bay area and, through its purchase of supplies, supports over 15,000 more workers throughout the state; and

WHEREAS, The closure of NUMMI would cause destructive reverberations throughout California's economy; and

WHEREAS, NUMMI supports local economies and major industries in all areas of the state by purchasing products from over 1,000 suppliers, vendors, and small-parts manufacturers, totaling \$523 million in annual payroll and benefits; and

WHEREAS, Shipping industries such as the Port of Oakland and the Union Pacific Railroad greatly depend on the existence of NUMMI; and

WHEREAS, The loss of NUMMI from California would have a longstanding and devastating impact on the people of the state; and

WHEREAS, As a state, California is Toyota's largest market; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That it is the Legislature's priority to take swift and decisive action to protect its workers and industries; and be it further

*Resolved,* That the Legislature recognizes the necessity to utilize its vested powers to keep NUMMI in California; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the author for appropriate distribution.